"smaller States" for such an amendment, though a proposal had earlier been under consideration to amend some parts of the Constitution (73rd Amendment) Act, 1992. Having considered all aspects of the matter, the Ministry of Panchayati Raj has decided to facilitate and secure implementation of the Constitution Seventy third Amendment) Act, 1992 by States/UTs in letter and spirit, by encouraging them to adopt carefully drawn up plans of action to implement the existing provisions of the Constitution.

Joint ventures with China

2214. DR. T. SUBBARAMI REDDY:
PROF. ALKA BALRAM KSHATRIYA:

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Indian Joint Task Force visited China during month of August, 2005 and found strong support from Chinese state-run firms and Government to forge a Joint participation for assets in third countries;

(b) whether China has taken edge when it comes to bidding as it snaps deal at any cost;

(c) if so, whether by co-operation of both China and Indian companies, both Governments could get contracts from foreign countries; and

(d) if so, to what extent joint participation so far have been agreed upon and what are counties where there joint participation will take place?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MANI SHANKAR AIYAR): (a) to (d) Yes, Sir. An Indian Joint Task Force led by Additional Secretary (International Cooperation), Ministry of Petroleum and Natural Gas visited China between August 9—13, 2005 and held discussions with senior officials of the National Development and Reforms Commission, the National Energy Leading Group and representatives of China's three principal petroleum companies. In these meetings, the Task Force was informed that there was need for Indian and Chinese companies to cooperate with each other since they had good bilateral relations and mutual trust, which provides a sound basis

for the promotion of ties in the hydrocarbon sector. Again, China and India had considerable experience in the energy sector and had good human resource and technical capabilities, all of which taken together would make combined India-China bids for oil and gas assets very competitive in the global energy market. Both Indian and Chinese companeis have been pursuing proposals for equity participation in producing fields in different parts of the world. Their bids for such proposals are based on their own assessment of the potential value of the oil and gas reserves in the proposal concerned. In some cases, the Chinese companies pursuing specific proposals have succeeded in acquiring certain assets on the basis of bids that the Indian companies believed were much too high for the property concerned, and hence preferred to withdraw from the competitive bidding.

At present, National Oil Companies *viz.* ONGC Videsh Ltd. (OVL), GAIL (India) Ltd. (GAIL), Oil India Ltd. (OIL), Indian Oil Corporation (IOC), Bharat Petroleum Corporation Ltd. (BPCL) and Hindustan Petroleum Corporation Ltd. (HPCL) are in touch with Chinese petroleum companies to enter into Memoranda of Understanding (MOU) for co-operation in the hydrocarbon sector.

The proposed cooperation will cover both upstream and downstream sector in both countries as also joint bids in third countries, particularly in Central Asia, West Asia and the Gulf, West Africa and Latin America.

GAIL and HPCL joint venture

2215. DR. ALLADI P. RAJKUMAR: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that GAIL and HPCL have formed a joint venture for oil exploration abroad;

(b) the details thereof and the reasons for this major diversification; and

(c) whether these two companies have made bids in foreign countries also and if so, the details thereof?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MANI SHANKAR AIYAR): (a) and (b) On the 16th November 2005,